

SENATE BILL 732

By Southerland

AN ACT to amend Tennessee Code Annotated, Title 56,
relative to physician remedies.

WHEREAS, health care plans are increasingly incorporating transparency, quality, tiered and pay-for-performance initiatives to ostensibly determine and differentiate those providers who offer quality health care services at the lowest costs; and

WHEREAS, the medical profession understands and supports the need to pursue such strategies but believes that such initiatives must reflect accurate and appropriate data; and

WHEREAS, plans in other states have developed similar initiatives but have been accused of using inaccurate data that could harm the physician/patient relationship; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 2, is amended by inserting the following language as a new, appropriately designated section thereto:

No physician shall be bound by a contract provision between that physician and a health insurer, prepaid group health plan, health maintenance organization, preferred provider organization or similar entity licensed under this part that provides or administers health insurance which purports to limit or restrict the remedies available to that physician if the insurance company publishes in any form a quality or tiered rating of that physician which is based on erroneous information, regardless of whether the error is negligent, intentional or malicious.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.